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ABSTRACT

One of a series of studies related to the Delphi research project: "Policy Instruments for Higher Education in the Western Europe of the Future", this paper describes and analyses the recent development of the higher education agenda in the Netherlands to show that the development of higher education policy is an incremental process of change, yet significantly influenced by new political choices. The fall of the Christian-Democrat/Liberal cabinet in 1989 eventually led to September elections which installed a new Christian-Democrat/Social Democrat coalition with a new minister of Education, Dr. Ritzen. He introduced three major policy shifts in the first 10 months in office: an evaluation of the Department of Education and Science budget; enhancement of a process of deregulation and enlargement of substantive autonomy of educational institutions; and a change in the relationships among institutions, students, society and the government. These policy trends influenced a bill before Parliament with anticipated implementation in 1992. Future trends may bring changes in: government financing of education; the student grant and loan system; higher education decision structures, research funding mechanisms; and an internationalization of education in the wake of current European political changes. Never the less, the change of cabinet showed more continuity that discontinuity in higher education policy. (JB)

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THE AGENDA OF DUTCH HIGHER EDUCATION POLICY IN TRANSITION

the effect of a new government

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MINISTRY OF EDUCATION AND SCIENCE

Division for Future Studies

Directorate-General for Higher Education and Research

THE AGENDA OF DUTCH HIGHER EDUCATION POLICY IN TRANSITION

the effect of a new government

Contribution to the Swedish-Dutch seminar on higher education
Stockholm, September 27-28, 1990

Zoetermeer, 1990

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1. Introduction

In 1988, the initiative for a biannual Swedish-Dutch seminar was taken. The meeting between Swedish and Dutch scientist and policy advisors aimed at the exchange of experiences and ideas on higher education policy. In September 1990 the second meeting was organized.
In the report of the first Swedish-Dutch seminar in 1988, a number of authors pictured the trends in Dutch higher education policy. Becker schedules the development of the system assessment, Mc-Daniel makes a prognosis of the higher education political agenda for the next ten years and Van Oijen analyzes the discussion on a voucher system. Broekmeulen and Svenson describe the future expectations of student mobility.

The contributions were input for the discussions on the seminar in April 1988. Time does not stand still, and a number of events in the world have taken place, that could not have been predicted. The deterioration of the iron curtain in general and the fact that the Berlin wall is now sold in pieces, would have been beyond imagination in April 1988.

Higher education systems are seldom confronted with revolutions. Nevertheless a number of consecutive incremental changes can cause major reforms.
In this contribution to the Swedish-Dutch seminar in 1990, we describe and analyze the development of the higher education agenda in the Netherlands. The description will illustrate that the development of higher education policy is an incremental proces of change, yet significantly influenced by new political choices.

2. A new government

In May 1989 the Christian-Democrat/Liberal cabinet fell on the issue of reducing tax-deductibility of traveling expenses for car-drivers. The agenda behind the tax-measure was the protection of the environment. The cabinet was, after general election in September 1989, replaced by a Christian-Democrat/Social Democrat coalition in November 1989. The relative long period of the resigned status of the cabinet between May and November, caused some delay in discussions and policy development and forced the resigned cabinet to take the responsibility of publishing the budget 1990 and the Higher Education and Research Plan 1990, both according to the legislation in force to be published in September, under their responsibility

Nevertheless, in the first 10 months of his office, the newly appointed minister of Education and Science, dr Ritzen (a former professor and education economist of the University of Rotterdam) has presented a number of changes in higher education policy.

3. Shifts in education policy

Although it is difficult to summarize the policy of just 10 months work, three specific issues draw the attention.

First of all the evaluation of the whole budget for the Department of education and science. The educational budget has been confronted with substantial overspending in a number of consecutive years. The newly appointed minister saw it as one of its prime responsibilities to improve the procedures and prediction techniques to estimate the budget required. Especially the difficulty of predicting consumer behavior received much attention.

Secondly the proces of deregulation and enlargement of substantive autonomy of educational institutions, set in motion by the previous government, was strongly enhanced. The legislative concept for a new higher education bill was amended in a way that enhanced the autonomy of institutions and decreased government powers to interfere in the institutional policy.
A number of concrete government powers are proposed to be abolished and certain issues which were left out of the discussion in the original proposed legislation (such as personnel policy and institutional investments) will be included in the proposals.
As a spin-off of the higher education discussion, proposals to deregulate primary- and secondary education legislation are now under scrutiny.

The amendments on the higher education bill are the formal explication of the third policy shift: the alternation of the relationship between the four basic constituencies of higher education: the institutions, the

consumers (primarily students), society in general and the government as the public investor, are reshaped. New patterns of behavior are now developed in which a number of problem area's is approached in a different way. Government - institutional agreements, on basic policy issues, are now proposed to create a more dynamic and concrete set of agreements than the designed biannual Dutch higher education planning system. The relationship between students and the institutions is reorganized by strengthening the position of the consumer. Students will in the future become an important dynamic factor in the institutional planning. The availability of not only quantitative, but especially qualitative information of courses and programs enables students to make specific choices.

The enhanced output-orientation of the funding mechanism is expected to make students a major force in the higher education of the future. A further streamlining of their higher education entitlement in terms of student grants and loans and registration rights is planned to finance the expansion of the system.

The relationship between institutions and society is changed through a number of informal in build system-dynamics.

These three changes are the basic stream in the shift in higher education policy. In the following paragraph a number of issues will be highlighted more concretely.

4. Higher education policy issues

4.1 The higher education and research legislation

A draft-proposal of a new "Higher education and research law" was published in January 1988 and followed in March 1989 by a bill to the Parliament. The 1989 bill has not yet been subject to Parliamentary discussion when the coalition stranded in May 1989. The new minister accepted the general framework of the proposed legislation, but amended it in April 1990. The amendments:

a. enhanced the institutional autonomy by abolishing a number distributive authorities for the government. The institutional prerogative to decide on the planning of courses has been strengthened.

b. all courses, modules and programs are centrally registered. The information is open to the public and contains information on the quality of the institutional educational performance as well. The information will be the result of the regular quality assessment system which is the counterbalance to the institution's educational autonomy.

c. government power to intervene in the system is (excluded the possible results of the quality assessment system) restricted to direct student enrollment through a government decided numerus clausus. The decision will in most cases be based on the basis of the employment predictions and prospects, although the legislative framework provides the government a larger frame of reference for a numerus clausus decision. The procedure preceding a decision reflects however the desire not to misuse these powers. The decision path will take almost two years and a large number of compulsory steps, including

Parliamentary approval, accompany the proces.

d. affirmative action is proposed for members of ethnic minority groups. In case of a numerus clausus, they will be granted a higher chance in the weighted lottery.

Furthermore, it is announced that two important issues which were not yet subject of deregulation and increased institutional autonomy, will be subject to major reform. The issues are personnel policy and investment in buildings. Presently government has important power over the institutional policy, but for both issues the authority of institutions will rise considerably in the coming years.

It is expected that the Second Chamber of our two chamber Parliament will start the discussion in November 1990. If no further delay is experienced, implementation of the Act is anticipated in January 1992.

4.2 Reorganization of the budget-allocation mechanisms

An important tool of government is the instrument of financing. In a mainly public funded higher education system, the issue of budget allocation has, over the years, drawn much attention in the Netherlands. At this moment the two sectors in higher education, the universities and the higher vocational sector (the latter is sometimes addressed as higher professional education) are confronted with a budget allocation system that can be characterized as a mixture mainly input and some output characteristics. It can be expected that, within the coming years, the system will be replaced by another generation of allocation models which:

* are less complex and more global
* are (almost) completely output oriented

* will increasingly separate the funding of teaching and research.

The development of the system will be vital for the dynamics in the higher education system. The future and the success of the very complicated process of altering the present budget models, could be one of the most decisive factors in the achievement of the goals of a receptive, responsive and quality oriented system.

4.3 The distribution of higher education entitlement

Another complex and important issue is the distribution of entitlement for higher education. Already in 1982 the Netherlands decided to maximize the government paid consumption of higher education to 6 years of university study and 6 years of higher vocational study. The entitlement was distributed in units "time" (duration of stay in years) and had though no relationship with the actual consumption of courses. The duration of stay is centrally registered and when time is up, enrollment is only possible under the regime of a (much) higher tuition fee. The two registration systems of the universities and higher vocational sector were merged into one in 1988. From that time every student is eligible for 6 years of higher education. Attempts to design a system in which not time but actual consumption is the basic element were not yet successful. The discussion on the development of a voucher system (see van Oijen in the 1988 report) has, unfortunately, stopped.

Confronted with the need to set budgetary priorities to be able to cope with the permanent rising flood of students, the new government decided to further limit the basic entitlement by proposing an age limit for

government-funded higher education. If the proposals would receive sufficient support, students that enter the university as freshman after their 26 anniversary would not be eligible for government funded education. The result would be, that they would have to pay a tuition that covers their educational expenses. Generally speaking, the new government wishes to improve the efficiency of the higher education system.

4.4 Student grant and loan system

The 1986 student grant and loan system, which provides a basic grant for all students under the age of 30, has turned out to be much more expensive than predicted. The rising number of students caused an increasing pressure on the budget. Before the system is becoming unaffordable, changes are prepared and proposed. Combined with the discussion in the registration entitlement, the future of the student grant and loan system, will be a hot item in the coming years in Dutch higher education policy.

4.5 Internal administrative structure of higher education institutions

For both higher education sectors, the universities and the higher vocational sector, the basic structure of the internal governance is prescribed in legislation. The issue has proven to be a controversial in the past, and attempts to reform the internal decision structure of universities (which was designed in the roaring end of the Sixties and implemented in 1971) have not been successful. Although in the Netherlands (as in the rest of the Western world) the decision structure of higher education is criticized, no consensus could be achieved on alternative models. In the fall of 1990, the present minister of Education and Science will attempt to re-open the debate through a number of conferences on this

issue. Whether it will lead to favorable grounds for changes can, on historical ground, be doubted.

4.6 Funding of research

The funding of (basic) research will remain an important government task in the future. In the Netherlands, a large proportion of the research funds are distributed in the lump sum of the universities. Since the beginning of the Eighties some restrictions apply to the freedom of spending of that part of the block grant. In the system of "conditional financed research" the output of the research is reviewed by peers.

Only a limited amount of research money is distributed through the Dutch research council. It has been the policy of consecutive ministers to enlarge the percentage of money allocated through the research council, but in practice only a marginal reallocation took place. It remains to be seen how strong the system of conditional financed research will be in the future in which a strong research infra-structure for research is required. A further (incremental) reallocation from the block grant to the research council which distributes its funds on the basis of institutional competition will continue. Universities are trying to reduce the reallocation.

4.7 Internationalization

With the introduction of the single market in 1993 and the opening of East-European borders, the issue of internationalization is an unavoidable issue on the political agenda. International orientation of the national educational systems in Europe will be essential to remain a prosperous, competitive and innovative nation. The Dutch policy is directed towards the facilitation of mobility and international orientation for institutions,

students and academic staff. The Dutch participate actively in EC-programs as ERASMUS, COMETT, LINGUA, PETRA and TEMPUS. In the second half of 1991, the Netherlands will chair the EC and will have the opportunity to initiate new policy activities.

Specific aspect of the increasing importance of internationalization is the recognition of diploma's and programs by other countries. Within the legislative framework of the EC, only a small number of vocational programs on the post-secondary level are recognized. The development of an international quality assessment system could be considered to solve the recognition problem for the university sector. Further discussion on the higher education structure (in terms of course length, degree structure e.s.o.) is expected to become a more important issue for the coming years. A more coordinating policy by the EC for the future on the general structure of the h.e. system is not excluded anymore.

4.8 Comparing 1988 and 1990

In the following table, we summarize the similarities and differences on a number of topics between 1988 and 1990. The year 1988 is chosen because it was the year of the previous Swedish-Dutch seminar under a minister of a different political color.

topic	situation 1988	situation 1990
students	unexpected growth of student enrollment	more effort to predict real growth and specific attention for the enrollment of ethnic minorities
admission	(almost) free admission	more government oversight on relation labor-market student enrollment
h.e. entitlement	limitation to 6 years	further limitation, possibility of maximum age
course length	no discussion possible 4 years maximum	differentiation of course length more probable
institutional autonomy	proposals for high degree of autonomy especially regarding teaching	amendment of the proposals to further enlargement of autonomy, including investments and personnel policy
planning of programs and courses	global planning by the government	no government authority on this issue left
quality assessment education	introduction of an extensive quality assessment system with visiting committees and peer judgments on performance indicators	no significant changes proposed but the central registration of all courses and programs
quality assessment research	conditional financed research	increase of allocation on a competitive basis through the research council
research policy	low profile	no changes proposed
internationalization	first concrete policy initiatives	one of the priority issues, stronger incentives to enhance institutional involvement
university administration	external advice to the government	government starts cautiously a discussion
graduate schools	low profile discussion and request for external advice	more open support for initiatives, more firmly discussion leading to conclusions on a possible future government involvement
budget	small contractions	relatively stable financial situation, contractions in study grants and loans.

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As stated before, the topic of the voucher system has disappeared from t agenda, but this took place before the change of office.

New topics, not on the agenda in 1988, are:

* registration system for all courses including a quality categorization
* initiatives to promote enrollment of ethnic minorities
* further initiatives on internationalization and EG coordinating policy

The policy strategy of the present cabinet differs, according to the table, on several issues from the previous one. One of the differences is the increase of institutional autonomy (on top of the firm proposals by the previous government) on the one side, and on the other an increase in the interfering in study behavior of individual students by diminishing student grants and registration entitlement.

Nevertheless and not to anyone's surprise, the change of a cabinet shows, regarding the complex issue of higher education policy, more continuity than discontinuity.